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**AGRICULTURAL DEVELOPMENT COUNCIL
REGIONAL RESEARCH AND TRAINING PROGRAM
(SOUTH AND SOUTHEAST ASIA)**

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Preface

In late 1975 the Ford Foundation (FF) and the Agricultural Development Council (ADC) asked that I participate in a joint review of the Agricultural Development Council. Being both a consultant to FF and a member of the Board of Trustees of the ADC, I was naturally concerned about possible conflicts of interest. I accepted the assignment, however, when it became clear that all parties wanted a candid, wide-ranging report which covered substantive as well as financial issues.

The short report that follows is a summary of main conclusions. Originally it was anticipated that the review would be carried out collaboratively, with Robert Havener and me representing the Foundation and Council, respectively. Personal circumstances, however, necessitated that Mr. Havener be excused from this assignment. Consequently, even though he and I have discussed most points in the evaluation, he should not be held accountable for the views presented in this report. Moreover, I would hope that my ideas might be regarded as the general outlook of someone interested in Asian agricultural development, rather than as the viewpoint of either a Foundation or a Council representative.

Since accepting the task ten months ago, I have had numerous informal conversations with FF and ADC personnel, as well as with other interested individuals. However, most of the specific material for this report was collected during a six-week, five-country tour of Asia during July/August 1976. (See Annex A) Individual reports for each of these countries have been prepared previously and discussed with ADC and FF staff members. For this reason, the present report is intentionally brief, covering only issues of broader interest.

In the course of such a review, I have accumulated a number of important debts. To all those listed in Annex B, I express my thanks for their personal assistance. To Vernon Ruttan, the President of ADC, goes a special thanks for his willingness to undertake the review, and for the openness and good humor which he has shown in permitting a Trustee and a funding-agency Consultant to peer over his organizational shoulder.

Walter P. Falcon

October 1976

Summary

The ADC has been, and continues to be, one of the premier international organizations of Asia. Its impact on the development of the rural social sciences in Asia has been significant, and has been far beyond what might normally be expected from an organization with a current annual budget of only about \$2 million. This opinion is shared by virtually all persons contacted throughout the course of the review.

The success of the ADC has rested on several factors. The organization has stressed concentration of effort within a rather narrow range of disciplines and a continuity of focus within countries. It has also been prepared to play the role of catalyst, keeping the needs of Asians paramount in the setting of priorities. Through the operation of a decentralized program which has used well trained professionals as Associates, the ADC has been instrumental in supporting the careers of large numbers of Asians. Within the agricultural economics discipline where most ADC resources have been concentrated, the "Directory of ADC Fellows" reads like a "Who's Who."

The foregoing is not meant to imply that the ADC is without current and future problems. There is a need for more appropriate affiliations for Associates in some countries and there is similarly a need for clarification of the role and structure of the Regional Office. Greater coordination is also required among fellowship activities. Finally, there is a clear need for restructuring ADC's financial support.

The ADC is a unique and cost-effective organization, fully deserving of the financial and moral support of other organizations as it tackles the important issues of rural development in Asia. In particular, the Ford

Foundation should be prepared to continue its core budget support to the ADC for the next three years at current levels. During the course of that grant the President and Board of Trustees of the ADC should work towards formalizing a broader-based funding consortium among foundations and bilateral-aid donors. The Ford Foundation should be prepared to participate and assist in that process.

The ADC as an Organization

The history of the ADC has been covered in depth in several recent documents, and will not be treated exhaustively in this report.* A few historical highlights are necessary, however, to underscore why the ADC has long been one of the premier organizations of Asia.

The ADC began in 1953 and continued through 1963 as the Council on Economic and Cultural Affairs. Its first head was J. L. Buck who, in 1957, was succeeded by A. T. Mosher. In 1973, V. W. Ruttan, the current head of the organization, was named President.

Since its inception, the ADC has focused on the rural social sciences, especially on agricultural economics. ADC's motto--"Supporting teaching and research related to the economic and human problems of agricultural development, primarily in Asia"--is a cogent summary of its major activities. In short, the ADC has been involved primarily with the development of the discipline of agricultural economics throughout Asia.

Since its beginning, the ADC organizational model has remained relatively constant. A small but highly competent central core staff has handled certain representational and substantive functions such as placement of ADC Fellows in United States Ph.D. programs. However, the heart of the organization has always been the ADC country "Associates." Now appointed on a 4-year, term basis, the Associates have been first-rate professionals (typically, but not exclusively, agricultural economists from developed countries) who maintain considerable decentralized authority over a variety of teaching,

* Readers not familiar with ADC are urged to read "Program and Policies of the ADC (1953-1973)," and "ADC Report for 1975," both included as Annex C.

research, and fellowship-support activities. In addition, the ADC occasionally employs Project Specialists whose functions and length of employment are more restricted than Associates. In 1976, Associates were located in Indonesia (2), Malaysia, Thailand, India, Philippines, Bangladesh, and Sri Lanka, and there were Specialists in Sri Lanka, Indonesia, and Nepal.

Among ADC country field staff, there is considerable variation in activity. These differences arise because of the varying interests and skills of Associates and because ADC attempts to follow a country-differentiated strategy geared to the particular needs of each country. In terms of "average" time allocations, Associates spend roughly equal time on teaching activities within the universities, on research projects, and on participation in interregional programs. Perhaps a better way to indicate the time allocations, however, is to observe that good Associates typically spend most of their time in "career support" for Asian rural social scientists.

In addition to the country programs, the ADC currently maintains three other types of activity. The Regional Research and Training Program is operated from the Singapore office and is designed especially to serve Asian scholars in South and Southeast Asia. Consisting of a Regional Director, a Research Officer, and a Fellowship Officer, the regional program focuses on activities that cut across country boundaries. These include a seminar and workshop series, Asian research networks, several publication series, and regional fellowship programs designed to provide funding for Asian students (mainly at the Master's level) at centers of educational excellence within the region.

The New York office of the ADC is the location of several other types of important program activity. Throughout the years, the ADC has provided numerous fellowships to Asian students for study in the United States. Thus, in 1976, 35 ADC fellows were enrolled in Ph.D. programs, and the 310 ADC fellows from 15 countries who received advanced training in the United States between 1955 and 1975 form an impressive core of social scientists in most South and Southeast Asian countries. It is this core which provides ADC with much of its good will and operating base, i.e., its power, in Asia.

The Director of ADC's Research and Training Network (RTN) also operates out of the New York office. The RTN, the major substantive activity of ADC within the United States, concentrates on a series of workshops and seminars designed to bring together rural development specialists. In recent years, the RTN workshops have also included a substantial number of participants from less developed countries. This activity has enabled the ADC to become a major force in promoting professional interchange among internationally-oriented agricultural economists. Also important in promoting this interchange has been the substantial New York program focused on preparing and distributing publications related to agricultural development.

Finally, the special program role of the President should be noted. Whether located in New York (previously) or Singapore (presently), the President has played a key substantive role. All ADC Presidents have been substantial contributors to the professional literature on agricultural development, and they have also fulfilled important representational functions on wide-ranging international committees. For example, Mr. Ruttan, among his many other duties, now serves as a member of the Technical Advisory

Committee of the Consultative Group for International Research which has major responsibility for the support of the international agricultural research and training centers.

The funding of the foregoing ADC activities has undergone significant changes during the past 25 years. During the early period, the support of Mr. John D. Rockefeller III and the Rockefeller Brothers Fund was instrumental in providing the yearly flows of funds, plus a capital reserve account. The latter has been especially important in providing additional funding flows and in guaranteeing an emergency fund which could be drawn upon to provide adequate longer-run program flexibility and funding independence. In more recent years several other sources have taken on increased importance. (See Table 1.) The recent annual contributions of \$200,000 to the core budget from the Ford Foundation have permitted ADC to retain program size and flexibility. Also important have been Canadian grants (from the International Development Research Center, IDRC) to the regional program of ADC, grants from the Agency for International Development (AID) for fellowships and RTN programs, and an increasing number of country-specific grants from international organizations, including the Ford Foundation. For example, in Indonesia, the Foundation has assisted ADC activities in training (e.g., the Supplemental Program in the Rural Social Sciences) and research (e.g., the Rural Dynamics Project). The Foundation has also underwritten a substantial share of the program costs of placing an ADC Associate in Bangladesh and promises to provide similar funding in Pakistan beginning next year. In terms of finances, therefore, the ADC, with an annual budget of approximately \$2 million, is a relatively small organization funded by a series of donors who tend to act more or less independently in their support.

CORE PROGRAM

	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>	<u>Budgeted</u> <u>1976</u>	<u>Very</u> <u>Preliminary</u> <u>1977</u>
<u>Unrestricted</u>							
John D. Rockefeller 3rd	\$ 354	\$ 291	\$ 412	\$ 352	\$ 352	\$ 350	\$ 350
Rockefeller Brothers Fund	300	300	200	100	100	100	75
Ford Foundation	-	200	200	200	200	200	200
Interest & Dividends	175	161	195	249	251	225	200
*Reserve Fund	300	-	-	167	265	431	300
	<u>\$1,129</u>	<u>\$ 952</u>	<u>\$1,007</u>	<u>\$1,068</u>	<u>\$1,168</u>	<u>\$1,306</u>	<u>\$1,125</u>
<u>Restricted</u>							
IDRC (Canada)	-	\$ 92	\$ 157	\$ 231	\$ 233	\$ 350	\$ 345
AID (Fellowship)	-	50	200	215	258	250	250
		<u>\$ 142</u>	<u>\$ 357</u>	<u>\$ 446</u>	<u>\$ 491</u>	<u>\$ 600</u>	<u>\$ 590</u>
Total Core	\$1,129	\$1,094	\$1,364	\$1,514	\$1,659	\$1,906	\$1,715
<u>PROJECT GRANTS & CONTRACTS</u>							
Ford Foundation	\$ 73	\$ 137	\$ 120	\$ 217	\$ 120	\$ 142	\$ 195**
AID (RTN)	133	156	100	191	162	225	250
Rockefeller Foundation	-	-	-	15	-	-	***
IBRD	-	-	-	-	10	-	-
AID (Nepal)	-	-	-	-	-	-	200
	<u>\$ 206</u>	<u>\$ 293</u>	<u>\$ 220</u>	<u>\$ 423</u>	<u>\$ 292</u>	<u>\$ 367</u>	<u>\$ 645</u>
Grand Total	<u>\$1,335</u>	<u>\$1,387</u>	<u>\$1,584</u>	<u>\$1,937</u>	<u>\$1,951</u>	<u>\$2,273</u>	<u>\$2,360</u>
Reserve Fund Value (Jan. 1)	\$5,088	\$4,822	\$5,640	\$4,592	\$3,286	\$3,797	

*Actual & Projected Amounts Transferred to Operating Fund.

**\$145,000 for Pakistan and Bangladesh, plus about \$50,000 pending on Rural Dynamics.

***Some possibility for Pakistan support.

The foregoing snapshot of ADC as an organization provides only the most cryptic and over-generalized account of its many activities. Hopefully, however, it provides the necessary background for the evaluative sections which follow.

The Success of the ADC

The extraordinary success of ADC as an organization is not debatable. The organization is held in high esteem by virtually everyone contacted in Asia and in the United States during the course of the review. Indeed, a comment frequently heard was that the ADC returned more per dollar expended than did almost any other international development operation in Asia.

Such a general assessment, however, can not be the end of the evaluation. Further improvements in ADC operations are certainly possible, and several potential areas for modification are discussed in the next section. In addition, it is important to discuss various positive elements in the ADC operation so as to provide other organizations with helpful lessons.

Four major factors, plus numerous minor ones, appear at the heart of ADC's success. Perhaps most impressive has been the catalytic, yet background role that ADC personnel have been willing to assume. Although many international agencies have a stated goal of being concerned with Asian scholars, the ADC has been especially successful in keeping paramount the needs and aspirations of Asian scholars and institutions. This attitude manifests itself within ADC in terms of personal attitudes and behavior, and in the setting of research, teaching, workshop, and publication priorities. Second, the ADC has been rightly concerned with both concentration and continuity. The organization has recognized that building a discipline within a country may take fifteen years and requires a rather limited focus in terms of fields. The average country tenure for an individual Associate has been about five years. This period has proven long enough for a solid acquaintance with local people, institutions, and issues, yet not

so long as to permit Associates to become either stale or parochial. Third, the whole concept of ADC involvement has been to provide "career support" for Asian social scientists within a narrow range of disciplines. The notion of career support is here intended to convey the following program meaning. Through longstanding commitments ADC Associates have had the opportunity to move about their respective countries to locate talented Asians. Sometimes contact is made through direct teaching or workshop activities, sometimes through committee work or visits to regional universities. The first step in the career process often is to see that talented young individuals have the opportunity to undertake domestic or regional study in substantive areas and in language training. The next step typically is an ADC fellowship for a Ph.D. in the United States. Another important ingredient has often been working with the returned Ph.D. to assist him or her to become a successful professional on the local scene. This long-time involvement with specific individuals has been a major factor in ADC's ability to pick committed, talented individuals interested in further training and in becoming the social-science core for their countries. As a consequence of this continuing and concentrated process, ADC's success rate in terms of (say) Fellows who complete Ph.D.s, and especially in terms of the percentage of Fellows who return home, is unbelievably high. In turn, these scholars have then provided ADC with a very talented and extremely loyal cadre of Asian supporters. It is through the Fellows, therefore, that ADC has an organizational impact far beyond what might be expected from an organization of its size.

A fourth factor, interrelated with the other three, has been the

professionalism that has characterized virtually every aspect of the ADC operation. Literally from top to bottom, ADC personnel have been first-rate professionals in their own right. With few exceptions, Associates have been involved with important substantive issues in their respective countries. This substantive involvement in teaching and research has given Associates an entr e and professional respect, and has given them also appropriate opportunities for evaluating and selecting younger personnel for training. This role contrasts subtly but importantly with that of a general program officer whose main task in many international agencies is to dispense funds.

In addition to the broader, almost philosophical points mentioned above, several other factors seem important in explaining ADC's reputation. The decentralized structure and the minimum bureaucracy were mentioned by many as being an enviable organizational model. Moreover, the administration of ADC has been effective, efficient, and sympathetic, without being paternalistic. Nowhere have these traits been more obvious than in the ADC fellowship program, whose positive reputation is in marked contrast to those of several other international assistance organizations.

Given its rather limited budget, the ADC has also been cost-effective in terms of resource deployment. One aspect of this effectiveness has had to do with a focus on people rather than on institutions. The ADC has not concentrated on institution-building per se, in either the physical (buildings) or total faculty sense of that term. Associates have rather worked with talented individuals in a variety of government and academic institutions, and have been highly selective in their support. In making

this point, it is important to note that part of ADC's success obviously has been dependent upon other agencies making large human and physical capital investments in key institutions. It is thus the complementarity that should be stressed, rather than any global generalizations about the wisdom of investing in people versus institutions.

Another element of cost effectiveness has been ADC's country-differentiated strategy. The ADC has been successful in gearing its assistance to particular stages of professional development within countries, and also in recognizing when "a job was done." Hence the early contributions of ADC in Japan, Taiwan, and South Korea were important in establishing self-sustaining rural social sciences which currently need only marginal support from the ADC. Similarly, within the countries in which ADC is now working, Associates have recognized the varying needs in, say, Bangladesh, where numbers of agricultural economists are critically short, from the Philippines, where the primary concern is in developing research standards and creating a center of educational excellence for the Southeast Asian region.

A final element worthy of specific comment concerns ADC's publications, for the latter are remarkable in several dimensions. First, they contain a goodly number of important direct contributions by ADC personnel. Second, the various ADC series have been made widely available to professionals throughout Asia. It is extraordinary how often ADC reprints are the only visible "foreign" documents in the offices of Asian social scientists. Third, the focus of the publications has clearly had Asia and Asians in mind--as contrasted (say) to what might be of most interest to the editors of leading American journals.

Numerous other specific examples could be given to illustrate the productivity of ADC's efforts. Collectively, these long-standing components give ADC a reputation and history that is unique and that is not likely to be duplicated by other organizations in Asia (or probably by ADC in other parts of the world). Because of ADC's tradition, professionalism, and complementarity to other international organizations in Asia, there can be no doubt that the ADC is fulfilling a need that cannot be met by other groups.

Potential Problem Areas for the ADC

However successful an organization has been, there is always a need for evolution of its policies and programs. The purpose of this section, therefore, is to report several general suggestions that were developed during the course of the review. More specific recommendations to the Ford Foundation are deferred to the final portion of the report.

Allocation of Time. Given the fact that ADC country operations are typically "one-man shows," it is not surprising that the allocation of the Associate's time is a continuing matter for debate. In part, the "correct" allocation varies by country and by the talents and interests of individuals; however, since 1973, several factors have tended to heighten the dilemma of allocating time to various activities. The institutionalization of the regional program has added one extra set of activities, both substantively and administratively. More important, however, has been the fact that the "average" Associate has changed in both background and age. The newer Associates have tended to be younger, stronger technically as economists, and perhaps less secure in career terms because of their age. Because of these factors, several Associates see personal research and publication as being necessary to provide adequate longer-run career flexibility and perhaps "proof" of their worth. Thus one senses that research has recently taken on a more prominent role relative to time spent on locating young professionals for further training. To the extent that this research is an integral part of appropriate development of the profession within a country, there is no conflict. However, in a number of other countries it does appear that research by Associates has tended to become something of an end in itself,

rather than a means for training Asians. Should that tendency become more widespread, and should the ADC lose sight of the need to keep subordinate the personal needs and roles of Associates, the organization will quickly lose its substantial good will. In making this point, however, it is important not to overstate the issue: ADC personnel have always contributed to research; there have been young Associates in the past; and high research standards are precisely what is needed in several countries. On the other hand, a country-differentiated strategy ought also to argue for the downplaying of research relative to training and fellowship activity in certain situations, and it does appear that personal research may be receiving relatively too much attention by several Associates.

Disciplinary Focus. As noted several times previously, the ADC has focused primarily upon the field of agricultural economics, especially of the micro variety. There have been secondary emphases on rural sociology and agricultural education, and recently also there has been some attention given to the sub-disciplines of forestry and fishery economics. By contrast, the ADC has provided almost no support for training in anthropology and, perhaps more surprisingly, has trained only limited numbers in agricultural policy and sectoral-analysis specialties. Perhaps the major reason for these concentrations have to do with the fact that the ADC has typically looked first to agricultural universities for its host-country affiliations and recruitment opportunities.

It is possible that the present allocation among fields is optimal; however, several alternative approaches might be considered. A number of people who were contacted during the review argued that economic anthropology

offered more insights on agricultural development than did rural sociology. Several also argued that departments of general economics (or general economic agencies within government) offered better possibilities for recruiting Fellows in some countries than did agricultural schools or ministries. Third, because of the overwhelming shortage in many Asian countries of economists who have some capability for handling agricultural policy and sector analysis, numerous individuals stressed the potential in these areas relative to micro economics, and relative also to the forestry or fisheries areas where there are few quality programs for Ph.D. training.

Given that it takes a considerable period to develop a professional core of agricultural economists, movements away from ADC's central focus on agricultural economics should probably be undertaken only with great caution. On the other hand, the "proper" disciplinary focus for ADC is an issue on which reasonable people differ, and there is certainly a counter-logic, as expressed by Mr. Ruttan, for having the ADC devote approximately one-third of its efforts to the non-economic rural social sciences.

U.S. Presence. Another of ADC's organizational strengths has originated among the internationally-oriented agricultural economists within the United States. Large numbers of the latter group have been involved with the Council, mainly through the extensive workshop agenda of the RTN program and also as academic advisors to Fellows. Such support (verified quantitatively in a recent survey conducted as a part of the RTN funding decision by AID) is obviously 'mportant in terms of ADC's research and training activities. Of a more subtle nature is the assistance which this support provides to ADC's recruitment and fund-raising efforts.

The implications of the foregoing comments are twofold. First a significant part of the ADC's leadership in the United States has emanated from the President's office. The recent move of the President's office to Singapore--desirable on a net basis--nevertheless leaves a certain representational gap for the ADC within the United States. Second, changes in the RTN which have led to fewer conferences attended by somewhat more senior specialists has also meant (at least as perceived by some) that ADC now is less visible among U.S. professionals. While no important damage to ADC is likely to result in the short run from these factors, they are potentially serious for the longer run.

Special efforts will be required by the remaining members of the New York office because of the visibility problem. It will also be vital for the ADC President to spend substantial amounts of time in the United States (as he is presently doing). Finally, renewed efforts by the RTN to include larger numbers, particularly of younger professionals, is more important now than ever before. In this connection the proposal by the Director to assemble several meetings of individuals at the dissertation stage of their training appears an important step towards achieving the goals of prominence and participation.

Terms of Reference with Host Institutions. Throughout much of its organizational history, ADC Associates have been affiliated primarily with Asian academic institutions. By spending approximately half-time in teaching or research activities at a university, the Associates were provided a flexible base from which to carry out fellowship and other activity about the country. Since most universities are somewhat conditioned to independent

behavior, the specific outside activities of Associates rarely caused concern. In more recent years, however, several changes in affiliation have occurred. The Associates in Bangladesh and India are presently attached to crop-improvement research centers, and one Associate in Indonesia is also tied to a research organization. Although three such affiliations are a small number, they are nevertheless a significant percentage of total field activity and raise several important questions: Does ADC now view itself as a supplier of social scientists to international or national research organizations? Do these affiliations indicate that Associate research is becoming more of an end, rather than a means for Asian staff development? and, Are increasing conflicts likely to arise on priorities as a consequence of Associates having specific research and other responsibilities which may be outside the specific plan of work from the host institution?

All of the evidence is not in on the foregoing questions. Nevertheless, it does seem possible to offer some preliminary answers based on impressions gained during the review. The ADC leadership is definitely committed to the continued career support of Asians and does not see research or research institutions as becoming dominant. There is already a concern within the organization about the need for more affiliations with universities (as will be the case in Pakistan). However, there is also a realistic recognition that no hard and fast rules can be made about where to affiliate. Whether it makes sense to have an Associate at an international crop-improvement center (i.e., India) is still debatable, but in any event, that affiliation appears to have been an exception rather than the start of a new trend by ADC.

The solution to the terms of reference issue, however, is less clear. With an increasing resistance among Asians to having expatriates "up front" in their organizations, Associates may have more difficult times in the future of maintaining independent, often necessary, ADC program activities. This situation may call for increased flexibility on the part of Associates, and probably clearer initial understandings of ADC roles, especially when affiliations are with research organizations. (In Bangladesh, for example, such difficulties arose because the Bangladesh Rice Research Institute (BRRI) began the relationship with ADC with a wrong set of expectations.)

The foregoing problems, while important, are not insurmountable. As in many other areas, they simply require heightened sensitivity to the evolving role of expatriate organizations within Asia, and an increased awareness of the need to keep Asian interests and participation at the fore.

Coordination of Training Activities. As mentioned previously, much of ADC's strength has rested on its Fellows and its Fellowship program. This program has evolved significantly, with the most important recent change being the expansion of the regional Master's program. In 1976 about 30 Regional Fellows from Asia will be in training, mainly at universities in the Philippines, Thailand, India, and Australia.

During the course of the review, both the United States and regional fellowship programs drew widespread praise. They were also the subjects of several useful suggestions. It was argued, for example, that in a number of countries the ADC might make greater use of domestic fellowships. Such an allocation of time and money would support both the national centers of

educational excellence and the outlying regions and universities from where the Domestic Fellows would be selected. Second, it was suggested that Asian professionals (as opposed to ADC personnel) should play a greater role in the selection and placement process within the regional fellowship program. Such a move would be very much in keeping with ADC's history and mode of operation, and certainly deserves serious consideration. Third, it has become clear that with a regional Master's program in Asia, new procedures will have to be developed by ADC to integrate the Master's and Ph.D. phases of training. To the extent that the M.A. is an intermediate step, ways will need to be found to reduce the lead-time in selecting and placing Ph.D. trainees in the United States. Fourth, the logic by which Australia is included in the "regional" program was unclear to many and raises the question of whether its inclusion--obviously desirable in narrow, short-run terms--is not counterproductive in its impact on the development of quality M.A. programs within Asia as more traditionally defined. In addition, the inclusion of Australia (if it is included on "quality-training" grounds) also raises the question of why not Europe and North America as possible training locations also. Finally, and more philosophically, ADC is still faced with several basic dilemmas in selecting candidates for its fellowship program. For example, should ADC draw its candidates only from centers of excellence, thereby minimizing risks which would be increased significantly if it were to select Fellows with weaker academic backgrounds from provincial universities? Similarly, should ADC send students for Ph.D.s from countries where the need is great, but where (because of language and inadequate undergraduate training) the prospects for the success of these

students in first-rate graduate schools is modest? Alternatively, should such students be sent to less demanding schools, or not sent at all?

There are no easy or entirely correct answers to these training questions. But with the proven success of the United States Ph.D. program, and the recent institutionalization of the regional M.A. program, the time appears opportune for ADC to reconsider freshly some of these issues, perhaps at its next staff conference.

Role of the Regional Office. The regional program of the ADC was conceived of as having several functions: to strengthen regional M.A. programs, to improve the communication (publication) and research networks of Asian scholars across country boundaries, and to enlarge the impact of the specialized capability of Associates. All of these objectives are clearly desirable, and the questions that were raised about the regional program had mainly to do with implementation. Several apparent anomalies are also the result of restricted-funding constraints.

With respect to regional training, the ADC is now a dominant international organization administering fellowships in the rural social sciences. The need in this area is clear, and ADC's performance has generally been very good. The only remaining problems are in assuring adequate coordination among domestic, regional, and international fellowship programs, in increasing Asian participation in the fellowship process, and in solving issues related to appropriate university locations for student recruitment and for training placement.

The regional research program, however, is less clear cut. Although named by an outstanding individual, the regional research program has had

a limited beginning. Few regional research grants have been given, which is probably appropriate in that such grants might better be channeled through country Associates. Although the regional research officer has been extremely useful in helping to set up the Singapore office, this position might have had a higher payout if it had been used to provide another country Associate. Under the terms of the IDRC regional grant, however, this alternative has not been an available option. The addition of another senior position in Singapore in the form of a Research Officer has also clouded ADC's "lean-bureaucracy" look, a reputation that is critical in present financial circumstances.

The regional seminar program has also been usefully systemitized during the past several years. The concept of such a workshop series is excellent, especially if the specific research expertise of Associates is to be made available on a regional basis. The problems, and they have not been overly serious to date, hinge mainly on the extent to which programs, decisions, and control for such workshops originate in the regional office (and are independent of individual country interests) and the extent to which the regional program represents essentially a service and catalytic force for the Associates. This issue is further aggravated by a lack of clarity--at least as expressed by several--on the overall role of the regional director. Given that ADC is itself a regional organization, and given that the President's office is now in Singapore, it seems reasonably clear that lines of authority are now clouded. Since the regional operation is new, it is not surprising that certain contradictions presently exist. Several options are possible for clarifying the situation. In seeking rearrangements, most reviewers suggested that ADC's strength was through the outreach program

of its Associates, that the regional program should be catalytic to, rather than independent of, country programs, and that ADC must do everything possible to keep its trim, decentralized structure.

Funding. An examination of Table 1 underscores the basic current dilemma of ADC with respect to funding. Annual contributions by traditional donors are not increasing and, to meet inflation and rapidly rising training costs, the ADC budget has increased about 70 percent between 1971 and 1976. The consequence has been a significant drawing on the reserve account. Presently the capital account is less than twice the annual budget, as compared with about four times the annual budget in 1970. Moreover, the increasing percentage of restricted funds has created fungibility and allocation problems, and has added substantially to the time spent on fund raising and financial reporting.

The financial situation is clearly a cause for major concern on both the expenditure and income sides of the ledger.

No detailed analyses of expenditures were undertaken during the course of this review, although several general points should be noted. Over the years, the ADC has maintained a very "lean" organization, with a minimum of bureaucracy. This model has affected expenditures directly and has also been viewed positively by donors, thereby affecting income. Given the increased financial pressure, it now seems especially important for ADC to maintain its lean image. For this reason in particular, the initial and continuing cost of expansion of the regional office is somewhat troublesome. The same is true of ADC's very liberal sabbatical policy. While clearly some kind of sabbatical or reassignment program is needed if excellent

professionals are to be recruited and retained, present ADC leave policy does appear at odds with its generally frugal image, and may be unnecessarily generous for the more senior staff.

Although minor cut-backs may be possible on the expenditure side, most of the financial relief must come from increased income if ADC is to maintain its positive program impact. There are no magic solutions on income, and it is clear that the President and other officers of the ADC will have to spend an increasing amount of time on financial matters. In the short run, the substantial contributions by the Ford Foundation recommended in the next section can be a palliative. However, it is also clear that during the next two or three years of that support, ADC must substantially restructure its funding. Failing that, drastic reductions in expenditure will be required.

No single fund raising idea is likely to succeed for any organization; however, unless the ADC leadership wishes to spend all of its time in raising money and reporting on its use, some kind of consortium of donors should probably be formed. If ADC's activities appear as positive to these potential donors as the views uncovered during the course of this brief review, there should be little problem in forming a more formal funding mechanism. For example, it might be possible (with the help and leadership of present funders) to structure a donors' meeting where the ADC might provide overall budget and program presentations. Participants might include the Rockefeller Brothers Fund, the Ford Foundation, the Clark Foundation, the Rockefeller Foundation, the Lily Foundation, the Cargill Foundation, the Kellogg Foundation, etc. Certainly it is in the interests of all these

groups to support ADC activities and, when coupled with bilateral aid and country-specific support, the prospects for ADC funding would be vastly improved by such an arrangement. It might also be possible to structure the meeting so as to include AID, IDRC, and other aid contributors directly within the consortium.

If a commitment to continuing annual funding is impossible, it might alternatively be feasible to begin a campaign to build up ADC's reserve fund to perhaps \$10 million, thereby increasing the annual interest flow and providing the longer-run flexibility base which has recently been eroded. Numerous other options might also be explored, and presumably the funding issue is one which must be dealt with extensively in the next two years by the ADC President and Board of Trustees as they look forward in their planned internal assessment of the future of ADC.

Recommendations to the Ford Foundation

All of the funding agencies which have supported the ADC can take pride in the organization's success. Indeed, given the problems which remain with the rural social sciences in Asia, and given ADC's proven approach in helping to solve these problems, the Council appears to be a candidate worthy of strong financial support for the foreseeable future. Because of its professionalism, its reputation, and its research, training, and publication networks, the ADC is now in the best position to service many aspects of the agricultural-economics field within Asia. It is for this reason that financial support to the ADC from the Ford Foundation, IDRC, AID, and others continues to make sense.

On the other hand, Ford and some other donors will no doubt wish to retain, on a direct-hire basis, some activities within the rural social sciences. To argue that either Ford or ADC should do everything (or nothing) would be a red herring. There is a strong complementarity between the program activities of the two organizations, with each doing some things better than the other.

Once ADC's quality is fully recognized, the Foundation should be prepared to assist the Council in four ways, all of which are strongly recommended.

First and most importantly, the Foundation should continue ADC's core budget support for at least the next three years at the present annual rate of \$200,000. Without strong core support the Council will lose its flexibility and will be forced into cut-backs that would have negative program repercussions.

Given a continuing need for Ford support to ADC, the Foundation might

also wish alternatively to consider a core-support capital grant of something on the order of \$3 million. Such a grant would guarantee ADC a long-term annual flow of \$210-\$240,000 annually. Such a grant would also build ADC's reserve emergency account up to a sum more in line with what is needed for good management. In short, a terminal capital grant of \$3 million by the Foundation would recognize ADC's past and continuing service, and would free both groups from the need for continuing paperwork and funding uncertainties.

Second, the Foundation should be prepared in the future, as in the past, to consider supporting country-specific ADC projects and programs out of the budgets of Foundation country or regional offices. Given the Foundation's difficulties in recruiting for and supporting the agricultural-economics area, the ongoing ADC operation offers an important professional alternative. Moreover, supporting a component of ADC activities within a country means that the Foundation can tap the assets of the entire ADC network. Thus the economics of this type of support are very favorable for both the funder and fundee.

Third, in countries where local support services for expatriates pose difficult problems (e.g., Indonesia, Pakistan, and Bangladesh) the Foundation should be willing to provide general-services assistance (as it has in Bangladesh). If the Foundation maintains an active support systems, as it does, for example, in Indonesia, it makes little sense for ADC professionals to spend one-fourth to one-third of their time on housekeeping and logistic issues on which there are significant economies of scale, and which should be handled more easily and cheaply by the Foundation. Charging ADC a fee

for these services might even be desirable to keep accounting matters straight, but any number of solutions would appear to make more sense than do present arrangements in several countries. The foregoing suggestion is obviously not costless to the Foundation in financial terms, and also may tend to make more difficult the differentiation of ADC's and Ford's country contributions. On a net basis, however, service support of ADC appears highly desirable in countries where conditions warrant the need for a Foundation general-service operation.

Fourth, the Foundation should stand ready to cooperate with the ADC in efforts to firm up core budget support from other groups. As mentioned previously, Ford could play an absolutely invaluable role by endorsing the creation of a "Donors Club" for ADC. The formation of such a consortium over the next several years appears vital for ADC's continued existence. Because of the Ford Foundation's wide contacts and its demonstrated substantive and financial commitment to ADC, the Foundation could be instrumental in helping to firm up the financial base of an organization that needs and deserves to continue for the foreseeable future.

ANNEX A. ITINERARY -- WALTER P. FALCON

Ford Foundation/Agricultural Development Council Review
July/August 1976

Sunday, July 4th

Depart San Francisco	PA1	@ 1315 hours
Arrive Hong Kong		2135 hours (Monday)

Wednesday, July 7th

Depart Hong Kong	PA 812	@ 2000 hours
Arrive Jakarta		2220 hours

Sunday, July 25th

Depart Jakarta	TG 414	@ 1530 hours
Arrive Bangkok		1945 hours

Tuesday, July 27th

Depart Bangkok	TG 303	@ 1030 hours
Arrive Dacca		1145 hours

Friday, July 30th

Depart Dacca	TG 304	@ 1815 hours
Arrive Bangkok		2130 hours

Saturday, July 31

Depart Bangkok	SQ 609	@ 1100 hours
Arrive Singapore		1335 hours

Tuesday, August 3rd

Depart Singapore	KL 832	@ 1910 hours
Arrive Karachi		0220 hours (Wednesday)

Thursday, August 5th

Depart Karachi	PK 300	@ 0730 hours
Arrive Rawalpindi		0920 hours

Tuesday, August 10th

Depart Rawalpindi	PK 309	@ 2100 hours
Arrive Karachi		2255 hours

Friday, August 13th

Depart Karachi
Arrive Hong Kong

LH 640

@ 0045 hours
1405 hours

Sunday, August 15th

Depart Hong Kong
Arrive San Francisco

PA 2

@ 0945 hours
0805 hours

ANNEX B - Partial Listing of
Persons Contacted During the Course of the Review

ADC/New York

Abraham Weisblat
A. Russell Stevenson
Grace Tongue

Ford Foundation/New York

Lowell Hardin
Robert Havener
John Bresnan

ADC/Singapore

Vernon Ruttan
Max Langham
Jane Harris

IDRC

M. S. Rao

ADC/Board of Trustees

John Lewis

Indonesia

Theodore Smith	Andi Hakim Nasoetion	Sjarifuddin Baharsjar
Peter Weldon	Sukadji	A. M. Satari
Robert Shaw	Mubyarto	Roekasah
Roger Montgomery	Toyib Hadiwijaya	
Ben White	Rudy Sinaga	
William Collier	Irlan Soejono	
C. Geoffrey Swenson	Achmad Birowo	

Bangladesh

Lincoln Chen
Edward Clay
Obaidullah Khan
Kazi Badruddoza
A. Zaman
David Catling
Monowan Hossain
Joseph Stepanek

India

Hans Binswanger

Philippines

Peter Weldon
Robert Evenson

Thailand

David Pfanner
Jeffrey Rhomm
Murray Dawson
Ammar Siamwalla
Chirmsak Pinthong

Pakistan

John Cool
Richard Goldman
Shahid Husain
M. L. Qureshi
Frank Child
Robert Klitgaard
Joseph Wheeler
Thomas Dobbs
Richard Newberg
Alexander Kirk
Erdman Zimmer-Vorhaus
Ehsan Rashid
A. H. Kadri
Javaid Azfar
Agha Sajjad Haider
I. A. Imtiaz
Aftab Ahmad Khan
Vaseem Jaffrey
Heshamul Haq
Aslam Ghayur
Amir Muhammed
Ali Mohammed Chaudry